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EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

February 2, 1978

78-0561

LEGISLATIVE REFERRAL MEMORANDUM

TO: Legislative Liaison Officer

Department of Health, Education, and Welfare
Civil Service Commission
Department of State
Environmental Protection Agency
Veterans Administration
Department of Defense
Central Intelligence Agency

SUBJECT: Proposed OMB report on H.R. 4620, a bill "To amend title 5, United States Code, to provide special allowances to certain physicians employed by the United States in order to enhance the recruitment and retention of such physicians."

The Office of Management and Budget requests the views of your agency on the above subject before advising on its relationship to the program of the President, in accordance with OMB Circular A-19.

A response to this request for your views is needed no later than noon Wednesday, February 8, 1978.

Questions should be referred to Hilda Schreiber (395-4650) or to Jim Stimpson (395-3736), the legislative analyst in this office.

Naomi R. Sweeney
Naomi R. Sweeney, for
Assistant Director for
Legislative Reference

Enclosures



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

Honorable Robert N. C. Nix
Chairman, Post Office and Civil
Service Committee
House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

This is in response to your request of November 23, 1977 for the views of this Office on H.R. 4620, a bill "To amend title 5, United States Code, to provide special allowances to certain physicians employed by the United States in order to enhance the recruitment and retention of such physicians."

H.R. 4620 would provide, on a permanent basis, bonuses of up to \$10,000 annually to Federal civilian physicians not now eligible for them. Under current law, physicians in the uniformed services receive temporary variable incentive pay under P.L. 93-274. Physicians in the Department of Medicine and Surgery of the Veterans Administration receive temporary special pay under P.L. 94-123. The authority for these temporary bonuses - which was enacted to aid in physician recruitment and retention - expires on September 30, 1978.

H.R. 4620 would authorize permanent bonuses to physicians paid under the General Schedule and to physicians paid under other pay schedules, i.e., Foreign Service, Postal Service, Panama Canal Zone Government, Tennessee Valley Authority and Energy Research and Development Administration, Central Intelligence Agency and others.

We are currently working with the Civil Service Commission, the Department of Defense, the Department of Health, Education, and Welfare, the Veterans Administration, and other Federal agencies to develop long-range recommendations for physician compensation in the context of recommendations on civilian pay generally and those of the President's Commission on Military Compensation.

The permanent character of H.R. 4620 is inconsistent with these efforts. In addition, H.R. 4620 would authorize bonuses for agencies which have not demonstrated